

THIRD DIVISION

[G.R. No. 158941, February 11, 2008]

**TIMESHARE REALTY CORPORATION, Petitioner, vs. CESAR LAO
and CYNTHIA V. CORTEZ, Respondents.**

DECISION

AUSTRIA-MARTINEZ, J.:

Before this Court is a Petition for Review on *Certiorari* under Rule 45 of the Rules of Court, assailing the October 30, 2002 Resolution^[1] of the Court of Appeals (CA), which denied due course to the appeal of Timeshare Realty Corporation (petitioner) from the March 25, 2002 Decision^[2] of the Securities and Exchange Commission (SEC) in SEC Case No. 01-99-6199; and the July 4, 2003 CA Resolution,^[3] which denied petitioner's Motion for Reconsideration.

As found by the SEC,^[4] the antecedent facts are as follows:

On October 6, 1996, herein petitioner sold to Ceasar M. Lao and Cynthia V. Cortez (respondents), one timeshare of Laguna de Boracay for US\$7,500.00 under Contract No. 135000998 payable in eight months and fully paid by the respondents.

Sometime in February 1998, the SEC issued a resolution to the effect that petitioner was without authority to sell securities, like timeshares, prior to February 11, 1998. It further stated in the resolution/order that the Registration Statement of petitioner became effective only on February 11, 1998. It also held that the 30 days within which a purchaser may exercise the option to unilaterally rescind the purchase agreement and receive the refund of money paid applies to all purchase agreements entered into by petitioner prior to the effectivity of the Registration Statement.

Petitioner sought a reconsideration of the aforesaid order but the SEC denied the same in a letter dated March 9, 1998.

On March 30, 1998, respondents wrote petitioner demanding their right and option to cancel their Contract, as it appears that Laguna de Boracay is selling said shares without license or authority from the SEC. For failure to get an answer to the said letter, respondents this time, through counsel, reiterated their demand through another letter dated June 29, 1998. But despite repeated demands, petitioner failed and refused to refund or pay respondents.^[5]

Respondents directly filed with SEC *En Banc*^[6] a Complaint^[7] against petitioner and the Members of its Board of Directors - Julius S. Strachan, Angel G. Vivar, Jr. and Cecilia R. Palma - for violation of Section 4 of *Batas Pambansa Bilang* (B.P. Blg.) 178.^[8] Petitioner filed an Answer^[9] to the Complaint but the SEC En Banc, in an Order^[10] dated April 25, 2000, expunged the Answer from the records due to

tardiness.

On March 25, 2002, the SEC *En Banc* rendered a Decision in favor of respondents, ordering petitioner, together with Julius S. Strachan, Angel G. Vivar, Jr., and Cecilia R. Palma, to pay respondents the amount of US\$7,500.00.^[11]

Petitioner filed a Motion for Reconsideration^[12] which the SEC *En Banc* denied in an Order^[13] dated June 24, 2002.

Petitioner received a copy of the June 24, 2002 SEC *En Banc* Order on July 4, 2002^[14] and had 15 days or until July 19, 2002 within which to appeal. However, on July 10, 2002, petitioner sought from the CA an extension of 30 days, counted from July 19, 2002, or until August 19, 2002, within which to appeal.^[15] The CA partly granted the motion in an Order dated July 24, 2002, to wit:

As prayed for, but conditioned on the timeliness of its filing, the Motion for Extension to File Petition for Review dated 09 July 2002 and filed before this Court on 10 July 2002 is GRANTED and petitioners are given a non-extendible period of fifteen (15) days from 10 July 2002 or **until 25 July 2002** within which to file the desired petition, otherwise, the above-entitled case will be dismissed. (Emphasis supplied.)^[16]

Petitioner purportedly received the July 24, 2002 CA Order on July 29, 2002,^[17] but filed a Petition for Review with the CA on August 19, 2002.^[18]

In the assailed October 30, 2002 Resolution, the CA dismissed the Petition for Review, thus:

Under Section 4, Rule 43 of the 1997 Revised Rules of Civil Procedure, petitioners shall not be given an extension longer than fifteen (15) days from the expiration of the reglementary period, except for the most compelling reason.

Thus, on 24 July 2002, in the absence of a compelling reason that justifies the granting of a longer period of extension, this Court issued a resolution wherein petitioners were given an extension of ONLY fifteen days from 10 July 2002 or until 25 July 2002 within which to file the petition for review, otherwise, the above entitled case will be dismissed.

However, records show that petitioners filed their petition for review only on 19 August 2002, which is twenty-five (25) days beyond the allowed 15-day extended period granted by this Court.

WHEREFORE, the appeal from the decision of the Securities and Exchange Commission (SEC) Case No. 01-99-6199 is hereby DISMISSED for failure of the petitioners to file their Petition for Review under the 15-day period granted by this Court as provided by Rule 43, Section 4 of the 1997 Revised Rules of Civil Procedure.

SO ORDERED.^[19]

and denied petitioner's Motion for Reconsideration in the assailed Resolution dated July 4, 2003.^[20]

Petitioner filed the present petition, urging us to look beyond the procedural lapse in its appeal, and resolve the following substantive issues:

Whether or not the eventual approval or issuance of license has retroactive effect and therefore ratifies all earlier transactions;

Whether or not a party in a contract could withdraw or rescind unilaterally without valid reason.^[21]

We deny the petition.

A judgment must become final at the time appointed by law^[22] -- this is a fundamental principle upon which rests the efficacy of our courts whose processes and decrees command obedience only when these are perceived to have some degree of permanence and predictability. Thus, an appeal from such judgment, not being a natural right but a mere statutory privilege, must be perfected according to the mode and within the period prescribed by the law and the rules; otherwise, the appeal is forever barred, and the judgment becomes binding.^[23]

Section 70 of Republic Act No. 8799^[24] which was enacted on July 19, 2000, is the law which governs petitioner's appeal from the orders of the SEC *En Banc*. It prescribes that such appeal be taken to the CA "by petition for review in accordance with the pertinent provisions of the Rules of Court," specifically Rule 43.^[25]

Section 4 of Rule 43 is restrictive in its treatment of the period within which a petition may be filed:

Section 4. *Period of appeal.* - The appeal shall be taken within fifteen (15) days from notice of the award, judgment, final order or resolution, or from the date of its last publication, if publication is required by law for its effectivity, or of the denial of petitioner's motion for new trial or reconsideration duly filed in accordance with the governing law of the court or agency a quo. Only one (1) motion for reconsideration shall be allowed. ***Upon proper motion and the payment of the full amount of the docket fee before the expiration of the reglementary period, the Court of Appeals may grant an additional period of fifteen (15) days only within which to file the petition for review. No further extension shall be granted except for the most compelling reason and in no case to exceed fifteen (15) days.*** (Emphasis supplied.)

Petitioner's Motion for Extension of Time to File Petition for Review flouted the foregoing restriction: it sought, not a 15-day, but a 30-day extension of the appeal period;^[26] and it did not even bother to cite a compelling reason for such extension, other than its counsel's caseload which, as we have repeatedly ruled, hardly qualifies as an imperative cause for moderation of the rules.^[27]

Its motion for extension being inherently flawed, petitioner should not have